

USDA/NIFA Financial Reporting Training

FFY24 Financial Reporting Process (Formerly AD-419)

December 3, 2024



Martin-Gatton

College of Agriculture,
Food and Environment
University of Kentucky.

M-G CAFE Business Center

Business center



MISSION STATEMENT

The CAFE Business Center is a support unit dedicated to providing customer service and facilitating financial and human resources activities within the College.

Objectives

- Assist and guide Business Officers to responsibly report the federal capacity grant expenditures on behalf of their department/unit.
- Ensure proper support is provided for distribution and calculation of direct and indirect expenditures and FTEs related to FFY24 federal capacity grants in accordance with university and college policies and procedures.

Acronyms & Definitions

- **CAS** - Cost accounting standards; Standards to ensure uniformity and consistency in the measurement, assignment and allocation of costs
- **CAS Expenses** – Unallowable expenses per the sponsor guidelines which cannot be charged to the grant or the state sponsored match cost object
- **FCG** – Federal Capacity Grant; NIFA(National Institute of Food and Agriculture) provides support for research and extension activities at land-grant institutions through grants to the states on the basis of statutory formulas.
- **FFY** – Federal Fiscal Year; example FFY24 is for federal fiscal year 2024 from October 2023 to September 2024
- **Formula** – Project type indicating an FCG project and use of federal capacity dollars for approved project period
- **FTE** – Full-Time Equivalent; 1.0 FTE is a full time employee (2,080 hours if monthly and 1,750 hours if bi-weekly) and a 0.75 FTE employee works 75% of the position’s full-time hours
- **GL Account** - Refers to classification of income or expense; also known as Cost Element or Commitment Item
- **FTE Count**– NIFA’s equivalent to UK’s FTE
- **NIFA** – National Institute of Food & Agriculture; Grant sponsor

Acronyms & Definitions

- **Non-Capacity** – Project type indicating approved NIFA project tied to a NIFA competitive grant
- **Parent Grant** – Each sponsored program has a parent grant account where the budget resides. No actuals should charge to the parent grant, but only to the FCG project accounts
- **PI** – Principal Investigator; faculty member awarded to the NIFA project
- **Sponsored Program** - Sponsored programs are those projects and/or activities which are originated and conducted by members of the institution under similar scope of work grouped together by fund number in SAP; i.e. Hatch, Multi-State, McIntire-Stennis & Animal Health
- **State Non-Sponsored Cost Center** – State cost center where CAS items should be charged instead of the state matching cost centers or the state parent cost center
- **State Parent Cost Center** – Also referred to as your unit’s state research cost center
- **Uniform Guidance** - The Office of Management and Budget's (OMB) *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards*
- **WBS Element** – Refers to a grant number beginning with 235* tied to Federal Capacity Grant projects

Roles and Responsibilities

- [E-1-3 Fiscal Roles and Responsibilities](#)
- Section IV.E – Fiscal Responsibilities of Administrators
 - Departmental business officer shall be knowledgeable, responsible, and accountable for the fiscal transactions of their units or projects. To ensure that strong internal controls are in place.

What is the financial report (formerly knows as AD-419)?

- The Financial Report process replaces the old AD-419 financial report. It is a project level report that details all expenditures by funding source, as well as all FTEs, for the most recently completed federal fiscal year, which runs from 10/01 to 09/30 each year. The report is used for research planning and is not an auditable document at this time.
- It is due **February 1st** this year for NIFA Capacity Grants and NIFA Non-Capacity Grants (OSPA Grants)

Why does the AD-419 process matter?

- We are required to provide an annual report of expenditures to NIFA, so we are allowed to continue receiving these funds.
- The federal government is required to report how the funds are spent to continue allocating them to universities.
- NIFA uses this data and the annual progress reports provided by the PI to review how the approved projects are benefiting the programs and how the funds were used.
- NIFA also utilizes this data in at least two other financial reports and one of which is auditable and reports the “integrated” Hatch and Multi-State expenditures only.

What's new for FY24 Reporting?

- For FY24, the reporting process returns to the previous format with a due date of February 1st for NIFA Capacity Grants and NIFA Non-Capacity Grants (OSPA Grants)
- For NIFA Capacity Grants, the department FTE reporting process and OSPA related grant assignment reporting process will occur in December.
- For NIFA Non-Capacity Grants (OSPA Competitive Grants) the department reporting process will occur in January.

Financial report timeline for NIFA Capacity Grants

- Department date to finalize entry and return the FTE calculation form(s) is Friday, December 20th
- What happens between December 20th and February 1st?
 - STEP #1 Our office reviews the data entered in the spreadsheet to check for errors or omissions and compare to last year's data to check for trends and merges the data with the final submission spreadsheet
 - STEP #2 The research office for CAFE then reviews the data entered
 - STEP #3 Based on Business Center and Research Office reviews; departments may be contacted for further clarification and/or edits. Please ensure you are available during this time for any follow-up questions.
- We will **SUBMIT** the report by **February 1st**

Departmental AD-419 Financial Reporting

The AG Financial Reporting System is no longer available. Excel Files will be used to gather the necessary data for the 24 Federal Fiscal Year AD-419 report.

Employee Salary Data			Enter Associated Project# for Parent Account Expenses					FFY23 Salary Expenses	Enter Annual Salary	Enter Annual Hours	DO NOT ENTER HERE	Distribute FTE (Man-Years) through columns L-Q					DO NOT ENTER HERE	
Dept	Department Name	Grant Number	Project #	Accession #	Last Name	First Name	Position	Total	Annual Salary	Annual Hours	Overall FTE	Faculty	Research/Extension Staff	Clerical/Administrative Staff	Undergraduate Student	Graduate Student	Post-Doc Scholar	Total FTE Reported
81XXX	AGRICULTURE	235XXXXXX			Mouse	Mickey	Graduate Research Assistant	\$0.00			#DIV/0!							0.0
					Duck	Donald	Graduate Research Assistant	\$2,000.00			#DIV/0!							0.0
					Goofy	Goofy	Graduate Research Assistant	\$0.00			#DIV/0!							0.0
					Goof	Max	Graduate Research Assistant	\$0.00			#DIV/0!							0.0
		235XXXXXX	KY454651	564545	Von Drake	Ludwig	Associate Professor	\$36,433.20	\$94,500.00	2080.00	0.39	0.4						0.4
		235XXXXXX	KY631212	784211	Duck	Donald	Assistant Professor	\$7,474.14	\$84,000.00	2080.00	0.09	0.1						0.1
					Duck	Donald	Associate Professor	\$2,491.89	\$90,000.00	2080.00	0.03	0.1						0.1
		235XXXXXX	KY963112	787897	Duck	Donald	Assistant Professor	\$22,955.37	\$84,000.00	2080.00	0.27	0.3						0.3
					Duck	Donald	Associate Professor	\$9,964.86	\$90,000.00	2080.00	0.11	0.1						0.1
		235XXXXXX	KY783473	741056	Horsecollar	Horace	Professor	\$16,094.77	\$75,000.00	2080.00	0.21	0.2						0.2
		235XXXXXX	KY382792	852222	Cow	Clarabelle	Research Analyst Principal	\$41,999.23	\$65,000.00	1560.00	0.48	0.5						0.5
		235XXXXXX	KY202998	964444	McDuck	Scrooge	Assistant Professor	\$22,967.40	\$41,000.00	1080.00	0.29	0.3						0.3
81XXX Total								\$162,380.86										

Departmental AD-419 Financial Reporting

LABOR REPORTS

You will receive 2 excel files for your department. FFY24 FCG Labor Report & State Matching Labor Report. Expenses listed are for labor costs from 10/01/2023 – 09/30/2024 and are for Salary only no benefits are included.

In efforts to help departments gather the necessary data to complete the files an SAP variant has been created for your use.

SAP T-code → ZHRFLEX

Variant Name → AG Emp DATA

Variant Name	Short Description
AG EMP DATA	FY24 Annual Sal & Annual Hrs

You will need to select your department in the org structure variable



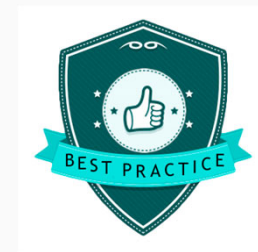
This information is applicable to both file types

Departmental AD-419 Financial Reporting Input Instructions

1. Input FY24 Annual Salary & Annual Hours for Employee and the associated position.
 - a. Note - If an employee switched positions during the Federal Fiscal Year, you will see multiple line items for that employee. Be sure to enter the appropriate salary & annual hours for each position
 - b. Overall FTE listed in Column M will automatically calculate based on information input into Columns K & L
 - c. Overall FTE will be displayed as a 2 decimal point figure
2. Appropriate FTE count info for each project & employee
 - a. FTE count will be entered as a single digit decimal figure with 0.1 being the lowest possible entry. Rounding up may be necessary (i.e. - Overall FTE = 0.03 Man-Years FTE = 0.1
 - b. FTE Count should be appropriate based on the employee's position

FTE Counts

- Mechanism to report all support staff and direct staff and faculty effort on each project
 - The minimum the system will allow is 0.1 FTE
- FTE counts are classified under the following 6 categories:
 - Faculty FTE Counts
 - Research/Extension and Technical FTE Counts
 - Clerical/Administrative FTE Counts
 - Undergraduate Student FTE Counts
 - Graduate Student FTE Counts
 - Post-Doc Scholar FTE Counts
- Each project MUST HAVE FTE counts related to the project
 - Meaning... the research project could not take place if someone doesn't have effort attributed to the project
 - Best Practice – Each project WBS element should have PI and other supporting employee's labor charged directly to the project and/or on the state matching cost center.
- Ensure that all FTE count are applicable and reasonable as per the expenses reported for the project



FTE Count Defined - Faculty

- A research or extension worker responsible for original thought, judgments, and accomplishments in independent scientific study or extension work. This includes investigation leaders and project leaders and portions of the time of supervising scientists or staff assistants who meet the preceding definition. Examples include:
- Administrative staff should be excluded unless they meet these requirements and are active participants in the actual research of the project. It is important to report scientist FTE accurately, because this category is frequently used in decision making.
- Job titles for scientists include:
 - Professor
 - Associate Professor
 - Assistant Professor
 - Distinguished Professor
 - Scientist

FTE Count Defined – Research/Extension and Technical Staff

- Research and Extension Staff are non-faculty staff and may include a professional that does not qualify as faculty under the preceding definitions but may still significantly contribute to research or extension activities. Professionals usually hold one or more college degrees and have otherwise qualified for employment in a professional category. Generally, professionals have a high degree of research or extension activity responsibility but do not hold principal investigator status or equivalent at the reporting institution.
- Technical Staff that are associated with research efforts in a technical capacity and do not participate in the investigative aspects of the research. Effort is typically directed toward a specific project(s).
- Job titles for Research/Extension and Technical Staff support include:
 - Associate/Assistant Director
 - Department Head
 - Analyst
 - Program Director
 - Research Associate
 - Resident Director
 - Statistician
 - Lecturer
 - Programmer (IT Professionals)
 - Lab assistant
 - Mechanic
 - Carpenter
 - Machinist
 - Skilled tradesperson



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FTE Count Defined – Clerical/Administrative Staff

- These are clerical and administrative support staff who contribute to the non-technical support of the project. It is often difficult to assess an individual's clerical and labor support to any one project or program; they usually support groups of researchers of different projects in a broad manner, such as by ordering supplies, typing reports, managing bill payments, performing janitorial work. Examples include
 - IT Staff
 - Administrative Assistant
 - Repairman
 - Janitor
 - Data Entry
 - Program Assistant

FTE Count Defined – Undergraduate Student

- Undergraduate students providing project support. This does not include students receiving support from the project, such as scholarship stipend assistance

FTE Count Defined – Graduate Student

- Graduate students providing project support. This does not include students receiving support from the project, such as scholarship or stipend assistance

FTE Count Defined – Post-Doc Scholar

- Postdoctoral scholars providing project support. This does not include scholars receiving support from the project, such as scholarship or stipend assistance.



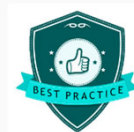
Direct/Indirect Support

Direct support includes FTEs that have directly charged to the project's FCG WBS element or the state matching cost center

- Indirect support includes FTEs that have charged a FCG or State Research Parent Account
 - Expenses on the FCG Parent or State Parent accounts will need to be allocated to the appropriate projects. Please be sure to list the associated project# in Column E (i.e. KYxxxxxx)

Employee Salary Data			Enter Associated Project# if Applicable	FFY23 Salary Expenses				Enter Annual Salary	Enter Annual Hours	DO NOT ENTER HERE	Distribute FTE (Man-Years) through columns L-Q						DO NOT ENTER HERE	
Dept	Department Name	Cost Center	Project #	Accession #	Last Name	First Name	Position	Total	Annual Salary	Annual Hours	Overall FTE	Faculty	Research/Extension Staff	Clerical/Administrative Staff	Undergraduate Student	Graduate Student	Post-Doc Scholar	Total FTE Reported
81XXX	AGRICULTURE	101xxxxxx			Mouse	Mickey	Graduate Research Assistant	\$0.00			#DIV/0!							0.0
					Duck	Donald	Graduate Research Assistant	\$0.00			#DIV/0!							0.0
					Goof	Goofy	Graduate Research Assistant	\$0.00			#DIV/0!							0.0
					Goof	Max	Graduate Research Assistant	\$0.00			#DIV/0!							0.0
					Von Drake	Ludwig	Associate Professor	\$36,433.20	\$94,500.00	2080.00	0.39	0.4						0.4
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81XXX Total								\$160,380.86										

How to calculate FTE count



- Recommendations to calculate FTE count
 - Labor distribution reports have been provided for the fiscal year and you will need to calculate the percent of each person's total FTE per project
 - Example: Oscar Thompson is a Research Assistant and has 10% of his total salary charging to KY001234 on the FCG account and 15% of his salary charging to KY001234 on the state matching cost center for FY24.
 - The FTE calculations will be reflected in the 2 separate labor files you have been provided.
 - Review employee's IT0027 screen in PA20 or Cost Distribution in PP01 for indirect labor for the fiscal year and calculate the percent of each person's total FTE per project
 - Example: Sally Morton is a Staff Support Associate II that edits pro-cards. She has a position distribution of 20% instruction, 40% extension and 40% research. Department A has 5 active FCG research projects (formula) in FFY24. Her 40% research FTE would be distributed amongst the projects. $0.40/5 = 0.08$ FTE count.
 - Sally's FTE calculation would result in 0.08 FTE count per project in department A for Clerical Support

Federal Capacity Competitive Grant Assignment

- Review the competitive grant listed and indicate Yes or No in column G.
- If Yes, please list the associated Project# (i.e. Kyxxxxxx) or Project Grant# (235xxxxxx) in Column K to indicate the Federal Capacity project that best relates to the competitive grant shown. This information will tie the FY24 expenses on the competitive grant to the FCG project for reporting/planning purposes.
- If No, meaning the competitive grant listed does not relate to any of the capacity projects, please enter No in column J
- You may need to reach out to the Principal Investigator and/or Chair to assist in the grant assignment process.

Grant Department	Dept Name	Grant	Grant Name	Sponsor Name	Total	Related to Federal Capacity Project Yes/No	If Yes Enter Project KY# or Project Grant#
81040	AGR ECONOMICS	3048113818	STRENGTHENING RURAL	Mississippi State University	87,484.13		
		3048114527	ROBERT WOOD JOHNSON	Communities Unlimited Incorporated	8,260.06		
		3048114678	CREATE BRIDGES: ROUN	Mississippi State University	90,269.29		
		3048115629	SHARPSBURG DESIGN ST	Blue Grass Community Fndn Attn: Barbara	84,932.93		
		3048115841	NEW YORK COMMUNITY T	New York Community Trust	11,137.97		
		3048115949	UK RESEARCH FOUNDATI	KY Energy and Environment Cabinet	22,816.27		

Review

- Review all dollars distributed per project and evaluate if the amounts distributed represent the amount of research
 - Projects requiring a lot of research would likely have a higher direct FTE and possibly a larger dollar amount distributed
- Each project MUST have FTE count attributed to it.
 - Review that all labor distributions and cost distributions were reviewed for department for active and inactive employees during FY24

Cost Center Maintenance and Closing Unused Accounts

- Maintenance of cost centers is vital for departmental accounting and financial success
- Unused cost centers should be closed if they are determined not to be beneficial in the future to prevent accidental use and to reduce the amount of excessive/unnecessary cost centers within the department
- These cost centers typically are overlooked during the reconciliation process
- In order to close a cost center that has outlived its useful life; the account budget and balance should be **-\$0-**
- Please send a request to cafeanalysts@uky.edu and a cost/funds center form to block/delete the unused account will be completed and submitted for processing for you.

IRIS/SAP:

- ZFI_COBJ – Cost Object Details Lookup

Financial report timeline for NIFA Non-Capacity Grants (OSPA Grants)

- Department date to finalize entry and return the FTE calculation form(s) is Friday, January 17th
- What happens between Jan 17th and Feb 1st?
 - STEP #1 Our office reviews the data entered in the spreadsheet to check for errors or omissions and compare to last year's data to check for trends and merges the data with the final submission spreadsheet
 - STEP #2 The research office for CAFE then reviews the data entered
 - STEP #3 Based on Business Center and Research Office reviews; departments may be contacted for further clarification and/or edits
- We will **SUBMIT** the report by **February 1st**

Financial report Instructions for NIFA Non-Capacity Grants (OSPA Grants)

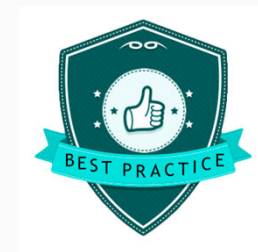
- USDA NIFA Non-Capacity Grant Reporting (OSPA projects)
- We have completed the financial expenditure data for the OSPA grants and will need your help in completing the FTE calculation for each grant.
- You will receive your NIFA Non-Capacity Grant Labor files after the holiday break and we will ask you to complete the FTE calculation.
- We've included a column for annual salary, and you will need to look up the annual salary for each employee and the spreadsheet will calculate an overall FTE. You will then assign the FTE to a category based on the FTE Count definitions in the coming slides.

Financial report Instructions for NIFA Non-Capacity Grants – Labor Distribution Report

Grant	Employee	Last Name	First Name	Position	Actuals	Annual Salary	Overall FTE	Scientific	Professional	Technical	Admin	
3200004460	LADDER: LOCAL APPROA	8055		50102217	Associate Professor	\$2,153.22	80000	0.03				
		59000		51017016	Emergency Management System Director	\$1,344.94	#DIV/0!					
		20001953		51019823	Academic Coordinator	\$978.98	#DIV/0!					
		20079546		51000817	Temporary Technical/Paraprofessional	\$400.50	#DIV/0!					
		Result				\$4,877.64						

FTE Count

- Mechanism to report all support staff and direct staff and faculty effort on each project
 - The minimum the system will allow is 0.1 FTE
- FTE Count classified under the following categories:
 - Scientist Years
 - Professional Years
 - Technical Years
 - Administrator and Other
- Each project **MUST HAVE** a FTE Count related to the project
 - Meaning... the research project could not take place if someone doesn't have effort attributed to the project
 - Best Practice – Each project WBS element should have PI and other supporting employee's labor charged directly to the project and/or on the state matching cost center.
- Ensure that all FTE Counts are applicable and reasonable as per the expenses reported for the project



FTE Count Defined - Scientist

- A scientist is a research worker responsible for original thought, judgments, and accomplishments in independent scientific study. This includes the investigation leaders, project leaders, and portions of the time of supervising scientists or staff assistants whose work meets the preceding definitions. Generally, the individual holds an academic rank of assistant professor or above and is capable of holding principal investigator status at the reporting institution. Outstanding graduate students with sound backgrounds of professional accomplishments may thoroughly merit the responsibilities of a scientist. However, most graduate students are rated as professional support.
- Administrative staff should be excluded unless they meet these requirements and are active participants in the actual research of the project. It is important to report scientist years accurately, because this category is frequently used in decision making.
- Job titles for scientists include:
 - Professor
 - Associate Professor
 - Assistant Professor
 - Distinguished Professor
 - Scientist



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FTE Count Defined - Professional

- A professional does not qualify as a scientist under the preceding definition but nevertheless contributes to research activities. Professionals usually hold one or more college degrees and have otherwise qualified for employment in a professional category. A few may hold a Ph.D. or equivalent degree, and may be in a high-level academic position, but nonetheless may be categorized as a research assistant or research support rather than as a research scientist. Graduate students may be categorized as professionals. Generally, professionals have a high degree of research-activity responsibility but do not hold principal investigator status at the reporting institution.
- Job titles for professional support include:
 - Administrative Assistant (monthly)
 - Associate Director
 - Department Head
 - Instructor
 - Research Associate
 - Resident Director
 - Statistician
 - Programmer
 - Analyst
 - Director
 - Assistant Director
 - Graduate Assistant
 - Research Assistant
 - Research Specialist
 - Post-Doctoral Fellow
 - Visiting Professor
 - Fiscal Officer
 - Editor

FTE Count Defined - Technical

- Technical Support staff are associated with research efforts in a technical capacity and do not participate in the investigative aspects of the research
- Job titles for technical support include:
 - Laboratory Assistant
 - Mechanic
 - Laboratory Technician
 - Draftsman
 - Research Technologist
 - Farm Foreman
 - Carpenter
 - Machinist
 - Skilled Tradesperson



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FTE Count Defined – Administrative and Other

- Generally, clerical support staff and other non-research staff contribute to the nontechnical support of the research project. It may be difficult to accurately assess an individual's clerical and labor support to any one project. Staff support members assist a group of researchers in a broad manner, such as a typing pool might support a group of investigators in a department or school.
- Job titles for clerical and labor include:
 - Administrative Secretary (Bi-weekly)
 - Maintenance Repairman
 - Clerk
 - Farm Technician
 - Typist
 - Stenographer
 - Farm Worker
 - Data Entry
 - Secretary

Questions?



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- Jason Hardin – Assistant Dean of Finance jason.hardin@uky.edu
- CAFE Business Analysts Team cafeanalysts@uky.edu